At Tyco we have a passion for protecting what matters most, and that includes making employee safety and the environment a top priority. As a global leader in the fire and security industry, we strive to provide products and services to our customers with Zero Harm to People and the Environment. This report provides insight into our Zero Harm programs and how we are meeting that objective.

George R. Oliver, Chief Executive Officer
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OUR COMMITMENT

The end of the 2012 fiscal year witnessed the creation of Tyco as a new operating company – what an exciting year of separation and wonderful start to the new Tyco. As the larger Tyco organization separated into three distinct companies, many things changed, but many stayed the same or improved. One of the best, our vision of Zero Harm to People and the Environment, did both – our commitment remained, and has been enhanced in our new organization. The process of recommitting to our vision was gratifying and exciting as Tyco leaders had a chance to reexamine our accomplishments, reflect on our efforts, and commit to even greater heights. This annual EHS progress report is our opportunity to review the exceptional work completed by Tyco employees in striving towards our vision of Zero Harm while simultaneously working to create a new company (please see our brief description of the new Tyco on page two and on our website at www.tyco.com).

After Tyco leaders reaffirmed our commitment to the vision of Zero Harm, we reviewed our global environmental, health and safety (EHS) policy to ensure its tenets still reflected the parameters we wished to use to guide us toward our vision. Generally, the content remained similar, but a few key parameters were added. Our new policy is printed on the inside back cover of this report and guides Tyco employees in their day-to-day activities and decisions driving our business; we are proud to share our operating principles. However, as with any vision or policy, the proof is often in the results, whether financial or safety, and this report provides a review of our key results for the company. As you can see from the milestone summary on page 7, we reduced our total recordable incident rate by 11%, which means that 133 fewer employees were injured in FY2012 versus FY2011. An even greater reduction of almost 18% was achieved in lost-time injuries. These are both important improvements, but even more amazing is the number of Tyco businesses that operated the entire year (in some cases even longer) living the Zero Harm vision. Congratulations to all those operations and businesses -- they set the bar high for the rest of the company to meet.

Critical to achieving these results are Tyco employees working safely at our facilities – and, equally important, arriving and working safely at client locations. Driving, of course, poses a high potential for vehicle accidents and associated injuries. Clearly, all Tyco employees can face transportation risks, so we emphasize driver and road safety. Programs such as driver training, GPS tracking, and safety equipment, among other efforts, resulted in a 7% reduction in vehicle accidents in 2012. That’s a good improvement, but it’s an area where we will be providing greater focus and resources to decrease even more over the years.

Also integral to our vision of Zero Harm is our attention to reducing our environmental footprint. Company separation created a data collection challenge, especially in the Greenhouse Gas emission metric, and we continue to refine our 2012 figures to determine the appropriate baseline for the company. With our current estimate, and without normalizing for production increases or acquisitions, we calculated a 4.6% increase in CO2 equivalents for operations of the new company. Slightly less challenging was our water use and waste generation data collection where we experienced 11% and 2% decreases, respectively. Reducing our environmental footprint is a priority for Tyco and many very good projects have been completed, a few of which are highlighted within this report.

Throughout the report, various efforts such as our Focus 20 program, our compliance results, and our management system achievements are discussed. We end the report with a view to the future and a description of our three-year EHS strategic framework, our roadmap for achieving Zero Harm. I am proud and excited to work for Tyco where we are committed to achieving our vision of Zero Harm to People and the Environment. I am equally proud of our employees, who work extremely hard every day to make this a reality. I hope that you will enjoy reviewing the information describing our accomplishments in 2012, learn from our efforts and challenges, and see the potential of what we have planned for 2013 and beyond.

Vice President, Environment, Health & Safety

[Signature]
Tyco is the world’s largest pure-play fire and security company, providing fire protection and security products to more than three million customers around the globe. Tyco employs 70,000 plus employees at over 1,000 locations in over 50 countries spanning six continents.

We provide these services to customers in some of the world’s most demanding industries – Banking and finance, oil and gas, mining, marine, government, healthcare, retail, home security and commercial, transportation and industrial applications.

At the end of FY2012, Tyco International Ltd. separated into three companies. This report only covers those operations which are now under the “NEW” Tyco.
Our Values

Tyco’s Vital Values – integrity, excellence, teamwork, and accountability – guide how we think and what we do each day. Here’s what it means to “do the right thing” at Tyco:

**Integrity**—We must demand of ourselves and each other the highest standards of individual and corporate integrity. We safeguard company assets. We foster an environment of trust with our co-workers, customers, communities and our suppliers. We comply with all company policies and laws, and create an environment of transparency in which all reporting requirements are met.

**Excellence**—We continually challenge each other to improve our products, our processes and ourselves. We strive always to understand our customers' businesses and help them achieve their goals. We serve our customers not only by responding to their needs, but also by anticipating these needs. We are dedicated to diversity, fair treatment, mutual respect and trust. We are committed to making our products and serving our customers with zero harm to People and the Environment.

**Teamwork**—We foster an environment that encourages innovation, creativity and results through teamwork. We practice leadership that teaches, inspires and promotes full participation and career development. We encourage open and effective communication and interaction across Tyco, and actively work together to keep each other safe.

**Accountability**—We honor and hold ourselves accountable for the commitments we make, and take personal responsibility for all actions and results. We create an operating discipline of continuous improvement that is an integral part of our culture.
Our Guide to Ethical Conduct (GEC) outlines expectations for all employees and provides resources to help make good decisions. First launched in 2003, the Guide to Ethical Conduct was substantially revised in 2010 and rebranded in 2012.

To acknowledge the shared commitment of the company and its employees to conduct business in accordance with our Vital Values, all employees annually sign a Guide to Ethical Conduct commitment statement. The guide can be downloaded from the Tyco web sites at http://www.tyco.com/uploads/files/Guide_to_Ethical_Conduct_2012_FINAL_ENG.pdf. It is available in 30 languages.

**Ethical Reflections** - As part of our ongoing focus on ethics and values, Tyco has developed a toolkit intended to engage managers, supervisors and their employees in conversations about key ethics and compliance topics. The medium for these discussions are thought-provoking scenarios that aim to address the “gray area” of the topic at hand. All business groups must on a quarterly basis conduct Ethical Reflections.

The process involves presenting a group of employees with a set of circumstances surrounding a situation which they might encounter in performing their duties/responsibilities. Once the scenario is read, employees break into small groups to identify and discuss what they see as ethical issues, whether there is a right and/or wrong approach, and whether an employee has violated any Tyco Values, laws or regulations. Next, they discuss the consequences to Tyco, and/or to the employee depending upon the employee decision. Employees are asked what they would do if they found themselves in similar circumstances. Groups are brought back together to exchange their findings. At each reflection, there is a leader who coaches the groups and moderates the group discussions.
Zero Harm to People and the Environment

Tyco’s vision of Zero Harm is clear: we place a high value on people and environmental protection. Aspiring to achieve this vision means changing the mindset so that all employees, no matter their level or location, believe all accidents can be prevented, and everyone goes home in the same-condition as when they came to work. It reinforces our commitment to do our part in protecting the environment for future generations. Zero Harm means producing products and providing services to customers in a safe, responsible manner that respects the health and safety of our employees, the environment, our customers, shareholders, and communities in which we operate. Tyco believes in promoting a workplace where protecting our people and the environment is the way we conduct business. All Tyco employees, as well as contractors, are responsible for understanding, promoting and implementing this philosophy. This is consistent with our values, our operating principles, implicit in our leadership and explicit in our actions. It’s embedded in our performance management process and tracked in our metrics. When it comes to employee safety and environmental protection, we can never settle for anything less than Zero Harm. By embracing the Zero Harm mindset as we manufacture, install and service our products, we help ensure a safer, more secure and more productive workplace so we can truly be an integral part of the world for our employees, our customers and the communities in which we live and operate. The Zero Harm policy can be found on the back cover of this document. Our Zero Harm commitment is also part of our Ethical Conduct training – and can be found on page three of Tyco’s Guide to Ethical Conduct on the Tyco web site at http://www.tyco.com/uploads/files/Guide_to_Ethical_Conduct_2012_FINAL_ENG.pdf.
FY2012 Milestone Summary

All Tyco employees understand and support Tyco’s Zero Harm vision. This is front and center in everything we do – from the products we sell, to the way we manufacture, install and service our products. Zero Harm is interlaced in all of our communications, from our external web site to communications from our CEO.

In support of our Zero Harm vision Tyco established enterprise–wide 2012 milestones for several key performance indicators (KPIs). These include total recordable injury rate, motor vehicle accident (MVA) rate, environmental footprint (greenhouse gases, water usage and waste generation), and on-time closure of EHS compliance audit findings and assessment of our operation’s EHS management systems using Tyco’s EHS Management System review process.

The table below summarizes the milestones (and other key metrics) for each KPI and their associated FY2012 performance, with each compared to our FY2011 performance. Good progress was made in many areas, but challenges still remain. The majority of the sections that follow will provide more details on each of the KIPs.

<table>
<thead>
<tr>
<th>Metric</th>
<th>2011 Performance</th>
<th>2012 Milestone</th>
<th>2012 Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Recordable Injury Rate *</td>
<td>1.46</td>
<td>1.26</td>
<td>1.3 (11% Reduction)</td>
</tr>
<tr>
<td>Fatalities</td>
<td>4</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Greenhouse Gas Emission Reductions*</td>
<td>5%</td>
<td>5%</td>
<td>4.6% Increase</td>
</tr>
<tr>
<td>Waste Reduction*</td>
<td>0%</td>
<td>5%</td>
<td>2% Reduction</td>
</tr>
<tr>
<td>Water Use Reduction*</td>
<td>20%</td>
<td>5%</td>
<td>11% Reduction</td>
</tr>
<tr>
<td>EHS Compliance Audit Findings Closed on Time</td>
<td>92%</td>
<td>95%</td>
<td>67.2%</td>
</tr>
<tr>
<td>Motor Vehicle Accident Rate/100 vehicles</td>
<td>18.4</td>
<td>15.7</td>
<td>17.12 (7% Reduction)</td>
</tr>
</tbody>
</table>

Management System

- 86% (manufacturing sites assessed)
- 100% assessed at service facilities
- 5% improvement in score at manufacturing sites
- 90% of service facilities assessed; manufacturing CMS scores flat FY2012 VS. FY2011

Other Metrics

<table>
<thead>
<tr>
<th>Metric</th>
<th>2011 Performance</th>
<th>2012 Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental Defects*</td>
<td>7</td>
<td>--</td>
</tr>
<tr>
<td>Notices of Violation + Fines Assessed</td>
<td>37</td>
<td>--</td>
</tr>
<tr>
<td>Fines and Penalties Paid</td>
<td>$21,609</td>
<td>--</td>
</tr>
<tr>
<td>EHS Compliance Audits</td>
<td>120</td>
<td>--</td>
</tr>
</tbody>
</table>

*Definitions can be found in the Appendix
PERFORMANCE

Health and Safety

At Tyco, employee safety is of paramount importance and every Tyco employee strives to do their part to eliminate all workplace injuries. Thanks to our relentless focus on safety and targeted programs to safeguard our employees in the workplace, we have already seen progress toward our Zero Harm goals.

In FY2012, significant safety improvements were achieved - Tyco’s Total Recordable Incident Rate (TRIR) declined 11%; lost time rate was reduced by 17.9% and the number of days lost due to workplace injuries dropped 25% when compared to FY2011. Looking at it another way, we had 133 fewer employees injured, 133 fewer lost-time incidents, and 2,324 fewer days lost due to work-related injuries and illnesses than the year before.

The table below shows the comparison between FY2011 and FY2012 for each of these KPIs. This is great progress toward our Zero Harm vision but as explained later in this report, we have set some aggressive goals for the future to further reduce the number of injuries, recordable and lost time incidents over the next five years.

We experienced four workplace fatalities during FY2012, which is the same as FY2011 year’s total. Of the four fatalities, two were related to firearms, one involved an auto accident and the other involved working at heights. We continue to strive to identify and eliminate hazards that might lead to employee injuries. Each of these fatalities were reviewed at the highest levels of Tyco’s Management.
Using MyTycoEHS (MTE), our online reporting program, we track all injuries and lost workday cases and require the facility or business where the injury occurred to complete an on-line report providing information about the injury and the investigation. In FY2012, injuries to the arms and legs were the most common accounting for 40% of all injuries; followed by body/back and hand/fingers, both at 15% of the total. The graph below provides the breakdown of all injuries reported for FY2012 and their related injury location.

### Significant Incidents

Significant Incidents are those environmental, health and safety events that result in the greatest impact or potential impact to our employees or the environment. During FY2012, the significant incident rate was roughly the same as in FY2011 (0.90 versus 0.87 in FY2011).

In FY2012, the top five categories of significant incidents reported were: 1) Falls from heights, 2) Slips and trips, 3) Struck by/against, 4) Acts of violence, and 5) Motor vehicle accidents. These top five account for 76% of all significant incidents at Tyco.

The top two categories: falls from heights and slips/trips accounted for 38% of the total reported and continue to be Tyco’s number one loss area and an area of continued focus. Slips/trips/falls and injuries from motor vehicle accidents accounted for nearly 52% of the significant incidents. The FY2012 results were mixed in these two categories. The motor vehicle significant incident rate declined 39%, but the rate for significant incidents related to falls increased by 30%. In FY2013 we will be focusing on falls from heights and slips/tips/falls.
Zero Harm Honors

In FY2012, each of the operations listed below has achieved Zero Harm to People and the Environment. We congratulate and celebrate the achievement of the employees at these locations.

### Fire Protection Products

**R&D Centers**
- Munich, Germany
- Sunbury, United Kingdom

**Manufacturing Facilities**
- Stockport and Dudley, UK
- Tàrrega and Madrid, Spain
- Lèvate, Italy
- Wertheim and Luneburg, Germany
- Milhardo, Portugal
- Korea
- Malaysia
- Huntsville, Alabama
- Westminster, Massachusetts

**Sales & Distribution Facilities**
- Mexico
- The Netherlands
- Germany
- UAE
- Hungary
- Italy
- Spain
- Austria
- Belgium
- France
- Norway
- Sweden
- Turkey
- India
- Singapore
- Jessup, Maryland
- Kent, Washington
- Murray, Utah
- Carol Stream, Illinois
- Coppell and Lubbock, Texas
- Tigard, Oregon
- Norristown, Pennsylvania
- Pompano, Florida
- Parma, Ohio
- Kansas City, Kansas
- Buckingham, UK

### Tyco Logistics and Distribution Facilities

- Letchworth, United Kingdom
- Barcelona, Spain
- Echt, The Netherlands
- Singapore
- Hong Kong
- Korea
- New Zealand
- Australia

### Security Products R&D Facilities

- Canada
- United Kingdom
- Ireland
- Boca Raton, Florida
- Westford, Massachusetts

### Life Safety Manufacturing Facility

- Vaasa, Finland

### Retail Solutions

- Shenyang, China (Manufacturing)
- Aguadilla, Puerto Rico (R&D)
- Boca Raton, Florida (R&D)

### SimplexGrinnell

#### Central Operations
- Elkhart, N. Indiana
- Detroit, Michigan
- Toledo, Ohio
- Springfield, Missouri
- Omaha, Nebraska
- Madison, Wisconsin
- Little Rock, Arkansas
- New Orleans, Louisiana
- Corpus Christi, Texas
- Houston, Texas
- San Antonio, California
- Lethbridge
- Boise, Idaho
- Albuquerque, New Mexico
- Fairbanks, Alaska
- Anchorage, Alaska

#### Western
- Halifax
- Hamilton
- Kingston
- London
- Mt. Pearl
- Saskatoon
- Fort McMurray

#### Eastern Operations
- Hickory, North Carolina
- Greensboro, South Carolina
- Columbia, South Carolina
- Kingston, Tennessee
- Chattanooga, Tennessee
- Knoxville, Tennessee
- Richmond, Virginia
- Allentown, Pennsylvania
- Springfield, Massachusetts
- Clifton Park, New York
- Nashua, New York
- Syracuse, Newark
- Providence, Rhode Island
- Burlington, Vermont
- Mobile, Alabama
- Birmingham, Alabama
- Orlando, Florida
Zero Harm Honors (cont’d)

<table>
<thead>
<tr>
<th>Tyco Integrated Security</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Southeast Region</strong></td>
</tr>
<tr>
<td>• Punta Gorda, Florida</td>
</tr>
<tr>
<td>• Huntsville, Alabama</td>
</tr>
<tr>
<td>• Nashville, Tennessee</td>
</tr>
<tr>
<td>• Pelham, Alabama</td>
</tr>
<tr>
<td>• Little Rock, Arkansas</td>
</tr>
<tr>
<td>• Mobile, Alabama</td>
</tr>
<tr>
<td>• Richmond, Virginia</td>
</tr>
<tr>
<td>• Roanoke, Virginia</td>
</tr>
<tr>
<td>• Myrtle Beach, South Carolina</td>
</tr>
<tr>
<td>• North Charleston, South Carolina</td>
</tr>
<tr>
<td><strong>Northeast Region</strong></td>
</tr>
<tr>
<td>• New Hampshire, Connecticut</td>
</tr>
<tr>
<td>• New Castle, Delaware</td>
</tr>
<tr>
<td><strong>Central Region</strong></td>
</tr>
<tr>
<td>• Kansas City, Kansas (sales and service office (SSO))</td>
</tr>
<tr>
<td>• Detroit, Michigan</td>
</tr>
<tr>
<td>• Columbus, Ohio</td>
</tr>
<tr>
<td>• Dayton, Ohio</td>
</tr>
<tr>
<td>• San Antonio, Texas</td>
</tr>
<tr>
<td>• Brookfield, Illinois</td>
</tr>
<tr>
<td><strong>Canadian Region</strong></td>
</tr>
<tr>
<td>• Mississauga</td>
</tr>
<tr>
<td>• Calgary</td>
</tr>
<tr>
<td><strong>Western Region</strong></td>
</tr>
<tr>
<td>• Modesto, California (SSO)</td>
</tr>
<tr>
<td>• South San Francisco, California (SSO)</td>
</tr>
<tr>
<td>• Anchorage, Alaska</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Installation and Services Business in Latin America Region</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Branches in:</strong></td>
</tr>
<tr>
<td>• Medellin, Colombia</td>
</tr>
<tr>
<td>• Bogota, Colombia</td>
</tr>
<tr>
<td>• Buenos Aires, Argentina</td>
</tr>
<tr>
<td>• Ecatepec, México</td>
</tr>
<tr>
<td>• Naucalpan, México</td>
</tr>
<tr>
<td>• Saltillo, México</td>
</tr>
<tr>
<td>• Torreón, México</td>
</tr>
<tr>
<td>• Araras, Brazil</td>
</tr>
<tr>
<td>• Lins, Brazil</td>
</tr>
<tr>
<td>• Talca, Chile</td>
</tr>
<tr>
<td>• Punta Arenas, Chile</td>
</tr>
<tr>
<td>• Temuco, Chile</td>
</tr>
</tbody>
</table>

Tyco Logistics & Distribution and Fire Protection Products Singapore

Four Years of Zero Harm and Zero Incidents

The Singapore site achieved four years of Zero Harm and Zero incidents.
Areas of Safety Focus

As part of our safety program, each year we analyze the information in MyTycoEHS and prioritize those areas or events that have impacted Tyco and our employees, to provide enhanced focus and identify and implement policies and procedures to reduce the risk to our employees. Details on some of the focused programs in FY2012 are provided below.

Falls from Heights
Tyco field service employees work at thousands of customer sites every day and encounter a wide variety of conditions and hazards. Working at heights continues to be a challenge with the use of ladders accounting for 57% of all falls from heights incidents. Many Tyco businesses now limit the use of ladders at certain heights and/or require the assistance of a second employee to brace the ladder during use. These work practice improvements, combined with enhanced employee training, will help reduce high-severity incidents in the future.

Focus 20
Every year Tyco selects 20 sites facing the greatest challenges related to employee injuries and provides additional support through the Focus 20 program. This program combines corporate, site and business unit expertise to develop an EHS management that best allows employees to make sustained improvements in their safety programs. Sites participating in the Focus 20 program during FY2012 reduced their average Total Recordable Incident Rate by 40%, which equates to 80 fewer employee injuries total at these targeted operations.
At Tyco we are always looking to find ways to improve our safety and productivity. Our Zettler operation in Europe has developed a tool that does both – the Zettler 850EMT. The Zettler 850EMT allows technicians commissioning fire detection devices to work more safely by eliminating the need to work at heights. The handheld device uses infrared technology which sets up a link between the 850EMT and the ceiling detector while the technician remains on the ground eliminating the need for scaffolds or ladders. This is an example were Tyco technology improve safety and health of both Tyco employees and the employees of our customers and clients.

Metrics Reporting

Tyco’s vision of Zero Harm to People and the Environment is supported through an online web-based reporting and data analytics tool, MyTycoEHS (MTE). It provides a standardized approach to track and manage incidents, near misses, environmental emissions, audit findings and corrective action plans. Tyco has more than 1,944 users in 54 countries using our web-based reporting. In FY2012, Tyco identified and tracked 4,813 events. In addition to capturing the facts and circumstances surrounding an incident, the system provides tools for users to identify trends and complete root cause analyses and closed-loop corrective action tracking by supervisors, managers and senior leaders. The increased visibility in the system provides a forum to better share lessons learned and to prevent similar injuries in other locations. Data collected in MTE are analyzed for trends and information is provided to Tyco leaders to use to improve aspects of employee safety.
Safety Culture

A key to achieving a Zero Harm vision is a change or improvement in safety culture. Tyco began a safety culture change engagement in 2009 within Tyco’s Fire Protection Products (FPP) business units. Then in 2011, the process was launched within Retail Solutions, Tyco L&D and Life Safety Products, and the installment services is the Asia Pacific and European regions. Since then over 5,500 employees have participated in 120 two-day sessions at 63 locations, conducted in 10 languages and on four continents. Approximately 80% of the FPP locations worldwide have held safety culture change sessions. In addition, the L&D team has held sessions in the United States, United Kingdom, The Netherlands, and Singapore. Life Safety has held sessions in Australia, Finland and the UK; and Retail Solutions held sessions in Mexico.

In the four years Tyco has been engaged in the culture change process, the lost-time rate has dropped by nearly 80% in the FPP group. The process has created a means for holding meaningful dialogue on the subjects that matter most – the ones that affect employee safety. At the same time, we are building a better, more competitive team and company overall. Senior leadership -- from the CEO to the business presidents, regional leaders and site operations' directors -- continues to embrace the potential of the program. Tyco has a passion to protect what matters most, and that includes our employees.

In FY2013, our goal is to extend the introduction of the safety culture change program to the remaining products businesses and expand the process to our services and installations businesses.

There is nothing Tyco makes, sells or services that is worth risking your health, safety or the environment. Nothing. Tyco, our co-workers and our families are counting on that!

“Safety Culture was a transformational experience for me that forever changed my perspective on health & safety. Safety Culture is about leadership and trust. It is about each of us looking out for all of us. It is about the people doing the work feeling empowered to recommend and make changes to make work safer. And it is about creating an environment and culture that allows this to happen. We all want everyone to go home from work in the same condition that they left home in – the safety culture process has proven to be a way to help make that happen.” Colleen Repplier – President, Tyco Fire Protection Products

Sites Throughout Global Businesses Attended Safety Culture Change Sessions

Life Safety employees in Skelmersdale, UK attend a safety culture change session
Motor Vehicle Safety

Motor vehicles present a significant risk within Tyco due to the high exposure potential for all employees. In FY2012, Tyco had a large number of vehicles on the road and logged over 500,000,000 miles. Our fleet is made up of passenger cars, transit vans, SUVs, full size vans and lift trucks. In FY2012, this risk exposure translated into a motor vehicle accident rate of 17.12 accidents per 100 vehicles and contributed to more than 13% of Tyco’s significant incidents. Almost 70% of the FY2012 vehicle incidents involved striking or being struck by another vehicle. Fifty-seven percent of those or 40% of the total motor vehicle accidents, involved rear-end collisions. Most of these collisions occurred at controlled intersections (stop lights and stop signs).

The next highest category of incidents involved the striking of a fixed object including poles, gates, fences, walls, etc. This category accounted for nearly 13% of all our vehicle accidents. The majority of these incidents occurred at relatively low speed, resulting in no injuries and minor damage to vehicles.

During FY2012, the use of a new web-based driver monitoring tool was introduced in the United States and the use of on-board GPS/telematics systems was expanded throughout several Tyco fleets globally. Several regions have also started using a web-based interactive training tool that assesses driver skills. We expect the new training along with improvements in driver selection protocols, training, and incident investigation to have a positive impact on driver safety in 2013.
HEALTH AND WELLNESS

At Tyco, the health aspect of environmental, health and safety not only includes the typical occupational health elements, but also the broader aspect of healthy employees. In the occupational health arena, we address traditional risks such as exposure to hazardous substances (e.g., various chemicals), noise, nuisance dust, ergonomic risks and other items. Facilities conduct ergonomic assessments and industrial hygiene monitoring to ensure the work environment is appropriate for employees. Recognizing that work processes can cause harm to employees, we have partnered with experts in the field to review and assess various work streams to improve work process design, equipment design, and timing of the jobs, to reduce risks and improve efficiencies. An increased focus on ergonomic improvements is planned for 2013.

In the broader area of employee wellness, various local activities were underway in 2012. From providing healthy alternatives in cafeterias and vending machines to hosting health fairs and group activity programs, local operations and employees maintained efforts supporting healthy employees while the organization was undergoing separation. One of the consistent efforts championed was the Global Corporate Challenge (GCC) where employees participated in a virtual walk around the globe supporting increased activity and health while at the same time supporting children’s charities. In 2013, we plan to build upon the wellness efforts in place for 2012, re-establish the Global Health Council as the guiding structure to our wellness programs and take steps to enable our employees to increase their levels of personal health.

Tyco offers a variety of wellness programs. The strategies are focused in the three main areas of prevention, nutrition, and physical activity. The graphic below provides examples of some of the regional elements of the three strategies.
Global Corporate Challenge

Every May, teams of seven from companies all over the world start the Global Corporate Challenge (GCC) 16-week program. Throughout Tyco, employees register for teams to participate in this challenge.

Each employee receives a GCC Pulse - a 3D accelerometer to accurately track their daily activity, and record their levels via the GCC website or mobile apps. The more active a team, the more instant reward they receive including progression along a virtual journey around the world, performance statistics, personalized motivational results videos, trophies and certificates.

Employees have 12-month access to the GCC website and additional initiatives such as nutrition assessments and advice, individual challenges, route mapping, and energy management.

The graphics to the right provide some additional statistics for 2012 participation.

In 2012, 5,411 employees around the world participated in the GCC with 773 teams.

<table>
<thead>
<tr>
<th>Total Walking Steps</th>
<th>6,386,804.017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Cycling Steps</td>
<td>271,045,055</td>
</tr>
<tr>
<td>Total Swim Steps</td>
<td>44,066,073</td>
</tr>
<tr>
<td>Total Combined Steps</td>
<td>6,854,465,533</td>
</tr>
<tr>
<td>Overall Distance</td>
<td>2,725,867 miles</td>
</tr>
<tr>
<td>Daily Steps Average</td>
<td>13,098</td>
</tr>
<tr>
<td>Average Distance per Day</td>
<td>5.53 miles</td>
</tr>
<tr>
<td>Average Energy Burned per Day</td>
<td>561 calories</td>
</tr>
<tr>
<td>Total Energy Burned</td>
<td>276,372,050 calories</td>
</tr>
</tbody>
</table>

Equates to walking around the world 109 times
ENVIRONMENT

Tyco’s company-wide environmental program is part of the much larger philosophy that Tyco has adopted for our company to achieve Zero Harm to People and the Environment. Tyco continues to take steps to reduce our environmental footprint as we put into practice the vision of Zero Harm. During FY2012, when compared to FY2011 performance, Tyco had an 11% reduction in water usage; a 2% reduction in process waste generation; and a 4.6% increase in Greenhouse gas. All numbers reported are actual volumes and include increases in production that occurred at several of the manufacturing operations and three acquired operations not included in FY2011 data. Removing the increases in production and new locations would raise the percent reduction and reduce the percent increase in GHG.

Prior to the separation of Tyco International into three companies, we set a five-year (from FY2009 through FY2014) goal of 25% reduction in water use, greenhouse gas and waste generation. After the separation, it became clear that our environmental footprint was completely different from the old Tyco. As a result we have set new targets for reducing water use and waste generation at our manufacturing facilities by 25% by FY2017, using FY2012 as our baseline year. We also set a goal of reducing our carbon footprint, targeting a 25% reduction in greenhouse gas (GHG) emissions by the end of FY2017 using FY2012 as our baseline. This includes both direct emissions and indirect emissions. These targets are in addition to achievements made by our operations prior to FY2012.

FY2012 Performance

<table>
<thead>
<tr>
<th></th>
<th>2012 Goal</th>
<th>2012 Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greenhouse Gas</td>
<td>5% Reduction</td>
<td>4.6% Increase</td>
</tr>
<tr>
<td>Emissions*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Process Waste</td>
<td>5% Reduction</td>
<td>2% Reduction</td>
</tr>
<tr>
<td>Reduction*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water Use*</td>
<td>5% Reduction</td>
<td>11% Reduction</td>
</tr>
</tbody>
</table>

*See Appendix for definitions

Industry Recognition

In FY2012, Tyco employees participated in initiatives that reduced our impact on the environment and worked toward achieving our GHG, waste and water reduction goals. We undertook projects that maximized the efficiency of our buildings and manufacturing facilities, increased the use of recycled materials in the products we make; and designed products that allow our customers to operate more efficiently.

One of these efforts was recognized by Supply and Demand Chain Executive magazine in awarding Tyco Retail Solutions the prestigious “2012 Green Supply Chain Award.” This award recognizes companies that embrace “green” practices and sustainability as a core element of their supply chain strategy as well as assisting their customers to achieve measurable sustainability goals. Tyco participates in the Green Partner Programs of several customers. This award recognized Tyco’s Sensormatic product line for its use of Green Chemistry, reduced energy needs, recycle content, and recycling/reused of the product through a tag recycling program.
Greenhouse Gas Emissions

In FY2012, the total CO2e for Tyco was calculated to be 303,490 metric tons. This is a slight increase from FY2011 where we generated 290,000 metric tons or about a 4.6% increase.

The figures reported and shown in the graphically at right are actual numbers inclusive of increases in production that occurred at several of our manufacturing operations and contain three acquired operations not included in FY2011 data. GHG numbers contain both direct and indirect emissions for our manufacturing sites, vehicles, and major office and warehouse locations. The calculation of the GHG emissions for offices and warehouses was complicated this year as a result of the separation because businesses under the old Tyco shared locations. The process of separating shared locations was not implemented until after separation and will continue through FY2013.

Tyco’s manufacturing facilities and our service fleets are the two largest contributors to our carbon footprint. Our large fleet of vehicles is the source of just slightly less than 60% of Tyco total GHG emissions. Tyco has recognized the potential impact our fleet has on GHG emissions. In North America, we are progressing with plans to update our fleet with smaller and more efficient vehicles. Details on this plan are found in the Sustainability section of this report.

Waste Generation

In FY2012, Tyco manufacturing facilities generated 8,938 metric tons of process waste. This is a decrease of over 132 metric tons or about a 2% reduction over FY2011.

The metric tons of waste are actual volumes generated and encompass increases in production at several of the manufacturing facilities, and the addition of three new manufacturing sites not included in the FY2011 levels. Removing the increases in production and additional locations would have resulted in a larger decrease. In FY2013, we expect to normalize the data against a common factor to eliminate the effect of changes in production or acquisitions and divestitures.

In FY2012, Tyco businesses took positive steps to reduce waste generation and put the Zero Harm vision into practice, including working with waste haulers to maximize recycled materials, reducing materials sent to landfills. They looked at processes to identify where material savings could be realized and for ways to recycle at the source.

Tyco contracted with a single vendor to provide waste management and recycling services for all North American facilities. The vendor has been working with selected manufacturing sites to develop waste management plans that will maximize reuse and recycling while minimizing waste sent to landfills. Several sites are striving to achieve zero-waste-to-landfill status within the next two to three years. In some cases this has required relocating trash dumpsters, changing waste handling procedures, better labeling, and educating employees. The results of these efforts will be seen in FY2013.
Water Use

In FY2013, Tyco’s manufacturing facilities cut water use by 11% compared to FY2011. This decrease equates to using over 40 million fewer liters of water. The majority of the savings was achieved as the direct result of programs implemented at our manufacturing location in Marinette, Wisconsin, which saved over 33 million liters. This was accomplished by replacing water-cooled compressors and heat exchangers with air-cooled units, and upgrading spray nozzles used in manufacturing with new OEM nozzles that returned/reduced water use back to installation rates.

In FY2012, fourteen locations reduced their water use, while nine increased. For three locations the results for FY2011 and FY2012 were essentially the same.

Tyco reports actual liters of water used; several locations experienced increase in production and three new locations were added in FY2012. Removing the increases in production and excluding the additional locations would have resulted in a larger decrease. In FY2013 we expect to normalize the data against a common factor to eliminate the effect of changes in production or acquisitions and divestitures.

In FY2013, Tyco’s Marinette operation anticipates bringing online a new process waste water treatment facility designed to treat 50 million liters per year and return approximately 30 million liters back to the facility for reuse in their process (photos below)
**SUSTAINABILITY**

Tyco realizes that the way businesses operated 100 years ago was much different than how they operate today. We also realize that if we are to be around for another 100 years, we need to look at how we will operate in the future and find opportunities now where we can save natural resources and reduce our overall environmental footprint.

To accomplish this, we must focus attention on environmental, health and safety and our vision of Zero Harm. We are finding ways to reduce our total environmental impact by reducing our GHG emissions, water use and waste generation, thereby reducing our environmental footprint.

Within Tyco’s FY2013-FY2015 Strategic Framework: Zero Harm to People and Environment, a committee has been formed to establish a strategy to reduce our footprint, through the use of treasure hunts (described below), Earth Day celebrations, solar and wind power, increasing fleet average miles per gallon, etc.

Sustainability is integral to our vision of Zero Harm to People and the Environment and Tyco has instituted several programs to reduce our environmental footprint. Several of our programs are discussed in the following sections.

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**Life Safety Products: Guildford, Australia**

Zero Harm Initiatives / Waste to Landfill/ Water Usage

Since November 2008, Tyco’s Guilford facility has reduced its waste to landfill by over 70% through implementing a series of programs including employee education/enforcement, waste handling, recycling, and reusing and repurposing of the waste generated. For instance, the warehouse uses old cardboard and cartons instead of purchasing bubble wrap, and polycarbonate sheet scrap is sold for reuse. Another initiative at the facility includes reducing their water usage; since 2005, they have reduced their total water use by over 50%.

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**ADT in Costa Rica Celebrates Earth Day**

On May 5, 2012, in conjunction with the community of Pavas (the site where the new building of ADT is located), ADT in Costa Rica conducted a reforestation activity in a local park. The activity was conducted in coordination with the Municipality of San Jose, which provided the trees, tools and the advice of a forestry engineer. A large number of ADT employees and their families attended and 160 trees were planted.
Energy, Water, Waste and Safety Efficiency

How many times have you walked into a room in your home and not seen the spot on the rug until someone else points it out to you? Why did you not see it? The answer is because you have accepted it as being a part of your “normal” everyday environment... the way things are. The same can be said when you enter your work environment. Every day we enter our place of work and accept certain things as normal. That’s the case, at least, until something goes wrong and then we ask why no one saw it.

Tyco has instituted a process where we train small groups of individuals at selected operations to identify these “spots” in our operations – be they energy, water, waste generation or safety “spots.” The process Tyco uses to identify these spots is referred to as “Treasure Hunts”. They initially started out as energy treasure hunts with the intent to identify where energy savings could be realized. They quickly expanded, at the request of employees, to include water, waste and safety.

Once a facility is selected and has agreed to participate in a Treasure Hunt, a call goes out for volunteers from the site. The volunteers go through an online awareness training prior to participating in a Treasure Hunt. Once trained, they enter the site -- usually on a site down time -- and start the process of observing. They continue to observe as the facility comes to life during the next morning warm up. The team or teams continue to make observations throughout at least one complete work cycle. After the completion of the observations, the teams review their observations and discuss possible solutions. The process can take several days and may include one or more teams depending upon the size and complexity of the facility.

Over the past three years, 30 Treasure Hunts have been completed at Tyco locations, most at our manufacturing and other large footprint operations. The results have been positive not only from a resource saving perspective, but also as each employee from the Treasure Hunt team goes back to his or her regular responsibilities, they take with them a new set of skills, awareness and ownership of their workspace.

In FY2013 Tyco is planning to complete ten treasure hunts across Tyco operations.

Marinette Treasure Hunts

The Wisconsin Public Services Company highlighted the Tyco Marinette Facility in its September 2012 Energy newsletter for their success in saving energy through the use of energy treasure hunts. Over the years, the FPP group in Marinette, Wisconsin, which operates more than 20 buildings at two sites, has saved more than $600,000 in natural gas, electric and water. The energy treasure hunts “were a way to get into some of the sites’ largest energy using locations to identify places they could be more efficient, and then implement solutions,” according to one team member. The savings have been calculated to eliminate about 12.5 million pounds of carbon dioxide emissions.
Alternative Energy Resources

As part of our ongoing effort to reduce our carbon footprint and complete our commitment to Zero Harm to People and the Environment, Tyco will continue to evaluate alternative sources of energy including the use of solar and wind power. Currently there are no solar or wind projects under implementation, but we anticipate reviewing proposals in FY2013 and will make determinations based on both economic and environmental impact factors.

Green Building Guidelines

Tyco has developed a set of Green Building Guidelines for the construction of new facilities as well as the retrofitting of leased space. As part of these guidelines, all new Tyco facilities are being designed and built with the environment in mind – indoor air quality, energy and water efficiency, reduction in debris during construction, reuse of furniture and equipment and recycling, among others. Tyco uses The United States Green Building Council (USGBC) standards for LEED (Leadership in Energy and Environmental Design) as a guide during design and construction. While Tyco does not always apply for certification, Tyco is a member of the USGBC and the guidelines are used to improve the environment for Tyco employees and visitors and to assist in achieving our goal of Zero Harm.

Our guidelines utilize LEED checklists in each step of the process from site selection through construction to building operations and maintenance. In addition each project requires having a LEED Accredited Professional on the project team.

Tyco currently occupies four LEED-certified facilities located in Lansdale, Pennsylvania; Manchester, UK; Irvine, California; and Marinette, Wisconsin. In addition, Tyco has facilities in Matamoros, Mexico and Brisbane, Australia built to local green standards and certified locally. Tyco facilities are being designed and built with the environment in mind.
Motor Vehicles

As mentioned in the safety section, Tyco maintains a large fleet of vehicles and logs upward of 500,000,000 miles each year. Over the past several years Tyco has pushed to “right size” our fleet to meet the needs of the service they perform and become more energy efficient. In FY2012, approximately 25% of the North American non-decaled vehicles (vehicles used by sales and management) were hybrids.

Also in FY2012, Tyco evaluated four different manufacturers’ vehicles working with our field technicians to outfit and test the vehicles for acceptability in the field. Wind tunnel testing of vehicles with and without ladders and ladder racks identified additional savings of one to two miles per gallon. With this knowledge Tyco worked with a ladder manufacturer to design a ladder that would fit inside the smaller vehicle, thereby eliminating the need to place the ladder on the roof rack. This also improved safety as our employees do not have to reach up to place or remove ladders from the tops of the vehicles. Once the design and vehicle were determined, five Ford Escapes were purchased and tested across the United States. The employees testing the vehicles gave it a “thumbs up” and the decision was made to purchase over 1,000 Ford Escapes as replacements for large vans in North America.

The Escape is rated by the manufacturer at six to eight miles per gallon advantage over its larger predecessor. The vehicles were rolled out in October 2012 and we expect to see the fuel and GHG savings in FY2013. In addition, Tyco’s Integrated Services group replaced over 350 full sized vans with Transit vans. A four-month study indicated the Transit vans getting 51% better fuel efficiency than the full-size vans they replaced.

In FY2013, Tyco will continue to replace its older fleet of larger vans with more efficient full-size vans where the work load demands a larger vehicle. Where the work load can be completed using the smaller vehicle, the more efficient vehicle will be purchased. Current estimates indicate approximately 70% of the vehicles being replaced in FY2013 will be smaller and more fuel efficient. Additional testing in FY2013 will be centered on the design of ladder racks and ladder placement to reduce drag in those cases when a ladder is needed and will not fit inside the vehicles.

These efforts will have the combined impact of reducing our dependency as a company on fuels and gasoline, and at the same time reduce our carbon footprint and our impact on the environment.
EHS COMPLIANCE

Tyco operations strive to comply with EHS regulations and permits. Maintaining 100% compliance with EHS requirements is both a legal obligation for Tyco, and a core element of our Zero Harm vision. To verify that our facilities are meeting regulatory compliance requirements, Tyco collects EHS performance data on a quarterly basis.

In FY2012, Tyco facilities received 43 regulatory agency inspections that resulted in the issuance of 25 notices of violations (NOV’s) from governmental agencies, which is the same amount received during FY2011. The 25 NOVs resulted in four fines assessed against Tyco totaling $23,719. This compares to $21,609 in fines and penalties paid during FY2011. The largest fine, $15,540, resulted from a single issue related to a US Department of Transportation certification.

Tyco also tracks environmental defects in its operations. Tyco experienced 11 environmental defects in FY2012 compared to seven during FY2011. We review all environmental defects and NOVs to implement corrective actions minimizing the chance of recurrence. For example: In 2012, the majority of our environmental defects were due to minor pH exceedances in waste water at a remediation site. Operational changes have been installed at the site to reduce the possibility of future pH excursions.

For FY2013, Tyco will continue to monitor its sites for compliance and take systematic actions to address any potential noncompliance.

COMPLIANCE ASSURANCE

Tyco’s comprehensive compliance assurance program encompasses all our operating facilities. The program includes audits, self-assessments and a corrective action tracking system. Tyco audits its higher risk operations at least once every three years and lower risk service facilities at least once every five years using independent audit teams. Since FY2004, we have conducted more than 600 global EHS audits, verifying compliance with national laws and regulations and Tyco’s EHS policies and standards.

Reflecting the global nature of Tyco’s business operations, in FY2012, Tyco completed over 114 Compliance Audits in 20 countries in all regions where Tyco operates as depicted in the graph below. Part of the success of the program depends upon having a process that supports thorough and rapid follow-up and closure of audit findings.

Global EHS Compliance Auditing Program

North America 59.6%
EMEA 21.1%
Asia 6.1%
India 1.8%
Latin America 3.5%
South Africa 0.9%
Pacific 7.0%

2012
>114 Audits in 20 Countries
The Tyco compliance assurance program classifies audit findings into three categories. Our higher risk findings are considered Priority 1, and our lowest risk findings are classified as Priority 3. Tyco’s compliance assurance process requires our Priority 1 risk findings to be closed within 30 days; lower risk findings are required to have corrective actions developed and implemented within 100 days. In many cases, Tyco-audited locations met the self-imposed deadlines and when the dates are not met, the sites receive increased focus until the findings are closed and documentation is complete. For all of FY2012, Tyco’s on-time closure rate was 67.2%. At the end of FY2012, there were 39 audit findings that were open and past their due dates. The FY2012 closure rate is significantly below our expectations, but was affected by our web based closed loop tracking system and access issues experienced by our operations when we migrated to a new version of the system.

The following graph depicts the trends over the last five years showing the number of findings per audit in each of the three categories and showing the percentage of all findings classified as Priority 1.

For FY2012, the higher risk category of findings constituted 2.3% of all findings as shown by the solid red line in the table below. The Priority 1 findings are at the lowest level since the compliance audit program started. The low level of Priority 1 findings indicates that our efforts to continuously improve our compliance status are working, as is our ability to continuously reduce the risks to Tyco.

Tyco EHS Audit Finding Trends

Notes on Bar Chart:
1) The uptick in total findings for FY2011 and FY2012 is the direct result of the institutionalizing of Tyco policies and requirements into the audit process.

2) The number of audits completed in any given year varies between 100 and 115. This directly impacts the total number of findings in any given year.
Audit Findings Analysis

Tyco’s web-based reporting and data analytics tool allows us to track and manage audit findings and corrective action plans. The compliance assurance program provides Tyco with an opportunity to identify common themes and trends that can be used as the basis for program development to enhance the skills and knowledge of all employees. A thorough evaluation of FY2012 data indicates that working at heights in a safe manner is the most common category for audit findings, making up 10.4% of our findings. Electrical safety was the second most common category with 10.2% of audit findings.

Working at heights and electrical safety continue to challenge our operations as these are the same top two findings identified in FY2011. Risk assessments and waste management flipped their rank order from last year and emergency preparedness and working in confined space are new to the top 50% list as shown in the table below.

Of the Priority 1 audit findings in FY2012, the top five categories accounted for more than 50% of all findings and are listed in the table below.

<table>
<thead>
<tr>
<th>Most common categories of Priority 1 findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electrical Safety</td>
</tr>
<tr>
<td>Working at Heights</td>
</tr>
<tr>
<td>Risk Assessments</td>
</tr>
<tr>
<td>Control of Energy (LOTO)</td>
</tr>
<tr>
<td>Working in Confined Space</td>
</tr>
</tbody>
</table>

Due to the significance of issues associated with working at heights, electrical safety and risk assessment, several global cross-business teams have been formed to drive enterprise-wide improvement in these key areas throughout FY2013. These efforts include improving pre-work risk assessments, the management of change as it occurs in the enterprise, and driving and expanding the understanding of risks throughout all levels of the enterprise.
MERGERS, ACQUISITIONS & INTEGRATION

Tyco minimizes liabilities in mergers and acquisitions in a two-phase program. Phase I is completed prior to acquisition and Phase II occurs during the first year of ownership.

Phase I employs a comprehensive due diligence process when evaluating a potential transaction. The goal of this process is to identify and minimize potential environmental, health and safety concerns by integrating the expertise of our EHS professionals into the overall due diligence process. We collect and evaluate detailed information about potential EHS risks and liabilities before deciding to complete a transaction.

After a proposed merger or acquisition closes, Phase II occurs. The objective of the second phase is to have our business managers and EHS professionals work closely with the management of the acquired site or company to integrate our EHS philosophy of Zero Harm to People and the Environment into the acquired entity’s culture, policies and procedures. We are also careful to take steps to bring the operation into compliance with applicable EHS laws and regulations, and implement Tyco operating practices designed to minimize potential liabilities and/or regulatory exposure.

A key element of the second phase is the completion of an integration audit.

Integration audits are conducted at acquired operations within the first year after an acquisition. The audit follows Tyco’s compliance assurance audit process and provides a comprehensive assessment of the facility’s compliance status as well as an assessment of their EHS programs. For each finding identified during the audit, action plans to address the finding are developed and recorded in Tyco’s online corrective action tracking system. The action plans are assigned to individuals who are responsible for implementing the required corrective actions.

During FY2012, Tyco completed several strategic mergers, acquisitions and divestitures. Integrations audits were completed on seven acquisitions acquired in FY2011 and FY2012. These seven integration audits developed more than 225 action plans to improve the acquired sites’ EHS programs.

When divesting an operation, we strive to provide detailed EHS information and transition support to the new owners. The major activity during FY2012 was the separation of Tyco International into three publicly traded companies at the end of the fiscal year. Extensive EHS information was provided to all of those entities upon separation, along with transitional EHS support.
HISTORICAL OPERATIONS

Every year, Tyco adds and divests numerous sites and businesses. Over the decades that Tyco has been in business, this has amounted to hundreds of acquisitions and divestures. Some of Tyco’s business lines and site operations date back over 100 years, and were in operation long before environmental laws were adopted. As a responsible corporate citizen, Tyco has often assumed the responsibility for past actions of those operations. We manage those sites to ensure that public health and the environment are protected and we have active remedial actions at current and former operating locations, as well as at offsite waste disposal sites where hazardous substances may have been released into the environment.

Upon the separation of Tyco into three independent companies, the responsibility for the remediation of 15 sites remained with Tyco.

It is very difficult to predict the cost to remediate a site, or the duration of the effort. There are uncertainties in the nature, extent and potential consequences of each impact, as well as in the extent and timeliness of regulatory agency involvement. At some sites, Tyco is one of several potentially responsible parties; in those cases, the selected method of cost allocation is also a factor. As of the end of FY2012, Tyco’s best estimate of the actual total cost for the 15 sites for which it has continuing responsibility was approximately $47 million. Due to the uncertainties regarding the extent of the required cleanups, the interpretation of applicable laws and regulations, and the availability of alternative cleanup methods, Tyco has estimated that the actual costs to remediate all of those sites could range from $48 million to $60 million as of September 28, 2012. One remediation site in Wisconsin accounts for about 80% of those estimates.

Tyco’s success in minimizing its current impact on the environment can be attributed to four factors: our daily focus on Zero Harm to People and the Environment; a thorough due diligence process when evaluating potential acquisitions; a strong EHS compliance assurance program; and effective EHS management systems at existing operations.
Tyco 2013-2015 Strategic Framework: Zero Harm to People and the Environment

The FY2012 EHS progress report is an important opportunity for us to reflect on the past year and celebrate the accomplishments and acknowledge those areas that require additional work. Our vision of Zero Harm requires that we continually improve our efforts so that we move towards and eventually achieve our vision. One of the improvement steps we have taken in FY2012 is the creation of a three-year strategic framework to help guide our efforts towards Zero Harm. After a thorough review of the current situation, using information obtained from our global reporting system (i.e., MyTycoEHS), our Compliance Audit Program (CAP), and input of issues and needs from our local businesses, we determined that a strategy encompassing people, process and equipment improvements and a focus on the environment made the most sense for us. Each of these strategies contains specific projects intended to improve our competency.

The main elements of each strategy are listed below:

- **People:** Zero Harm Communication, Management Engagement, Culture Engagement, Health and Wellness, and People Development.
- **Equipment:** Motor Vehicle Safety, Electrical Safety, Working at Heights, and Manual Handling.
- **Environment:** Footprint Reduction.

Each of these elements contains specific projects related to including EHS performance metrics on every manager’s performance plan and activity-based goals for supervisors. These efforts will provide all employees with clear actions to take for improving safety, employee well-being or the condition of the environment. As a means of improving hazard awareness, we have projects under the Process element to enhance our risk assessment process and expand our competency in dealing with change, utilizing our management of change process. These are just a few of the projects we have identified in support of our strategy.

Each of the projects develops over the years of the framework and rolls forward each year with the current year dropping off and the next year added to the plan. We are excited to have this roadmap to give us clear improvement direction and will report our progress in future reports.
LOOKING FORWARD TO FY2013

Our commitment to achieving our vision of Zero Harm to People and the Environment remains strong in 2013. When the Tyco separation occurred on September 28, 2012, it offered new Tyco the opportunity to revisit its analysis of its risk profile and environmental footprint with sensitivity the different corporate structure. As a result of this analysis and evaluation we have set new targets for our vision of Zero Harm beginning in FY2013 and using FY2012 as our baseline.

For fiscal year 2013, we set the following annual milestones: 0 fatalities; reducing the significant incident rate to 0.78 from 0.90 in FY2012; TRIR reduction to 1.14; reducing the motor vehicle accident rate down to 14.98 accidents per 100 vehicles; and a 6% environmental footprint reduction including GHG emissions, water use and waste generation. We have also set a new milestone to have 40% of Tyco sites at full implementation of the EHS Core Management System for FY2013.

In order to keep our sights on the future, Tyco also sets five-year goals that build upon the annual milestones. These goals include a 50% reduction of safety related metrics including the total recordable incident rate (TRIR), the significant incident rate, and the motor vehicle accident rate. Of course fatalities, the most serious consequence is always set at the only acceptable rate of zero.

Our environmental footprint reduction targets include a 25% reduction in water use, waste generation and GHG emissions by the end of FY2017, using FY2012 as our base year. The annual milestones and five-year goals are summarized in the table below. At the time this report was being prepared, the data for Q1FY2013 indicates we are achieving the 2013 milestones.

<table>
<thead>
<tr>
<th>Metric</th>
<th>2013 Milestone</th>
<th>2017 Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Recordable Injury Rate</td>
<td>1.14</td>
<td>0.65</td>
</tr>
<tr>
<td>Fatalities</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Greenhouse Gas Emission Reductions</td>
<td>6%</td>
<td>25%</td>
</tr>
<tr>
<td>Water Use Reduction</td>
<td>6%</td>
<td>25%</td>
</tr>
<tr>
<td>Waste Reduction</td>
<td>6%</td>
<td>25%</td>
</tr>
<tr>
<td>Motor Vehicle Accident Rate (accidents/100 vehicles)</td>
<td>14.98</td>
<td>8.56</td>
</tr>
<tr>
<td>Core Management System</td>
<td>40% of sites at full implementation</td>
<td>95%</td>
</tr>
<tr>
<td>Significant Incident Rate</td>
<td>0.78</td>
<td>0.45</td>
</tr>
</tbody>
</table>

Our goals next year and over the five-years are ambitious but achievable through the use of new, updated and/or existing EHS programs. In addition we anticipate implementing new programs and policies as a result of our efforts within our Strategic Framework. Our efforts and those of our employees we will make FY2013 a safer and greener year for Tyco. Zero Harm is our vision, but every day it is becoming more and more a reality as our employees implement this vision in every step of their day. We are looking forward to a very successful Zero Harm year in 2013.
<table>
<thead>
<tr>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Zero Harm Communication</strong></td>
<td>Zero Harm Communication</td>
<td>Zero Harm Communication</td>
</tr>
<tr>
<td>— Zero Harm communications and awareness efforts including quarterly campaigns related to high-risk hazards</td>
<td>— Expand Zero Harm communications and activities to include families</td>
<td>— Zero Harm communications include families</td>
</tr>
<tr>
<td>— Regional Zero Harm awards, criteria for the enterprise program developed</td>
<td>— Regional and enterprise-wide Zero Harm awards</td>
<td>— Enterprise-wide Zero Harm awards</td>
</tr>
<tr>
<td>— Tyco Core Safety Rules developed</td>
<td>— Tyco Core Safety Rules awareness campaign completed</td>
<td>— Tyco Core safety rules fully implemented</td>
</tr>
<tr>
<td><strong>Management</strong></td>
<td><strong>Management</strong></td>
<td><strong>Management</strong></td>
</tr>
<tr>
<td>— EHS performance metric on every manager’s performance plan and activity-based goals for supervisors</td>
<td>— EHS performance metric on every manager’s performance plan and activity-based goals for supervisors</td>
<td>— EHS performance metric on every manager’s performance plan and activity-based goals for supervisors</td>
</tr>
<tr>
<td>— Manager field/employee visits</td>
<td>— Manager field/employee visits</td>
<td>— Manager field/employee visits</td>
</tr>
<tr>
<td>— Senior-level review of all serious and lost-time incidents</td>
<td>— Senior-level review of all serious and lost-time incidents</td>
<td>— Senior-level review of all recordable incidents</td>
</tr>
<tr>
<td><strong>Culture Engagement</strong></td>
<td><strong>Culture Engagement</strong></td>
<td><strong>Culture Engagement</strong></td>
</tr>
<tr>
<td>— Product opportunities continue culture engagement (CE) implementation (Asia Pac)</td>
<td>— Product opportunities continue culture engagement (CE) implementation (Asia Pac)</td>
<td>— Product opportunities continue culture engagement (CE) implementation (Asia Pac)</td>
</tr>
<tr>
<td>— Installation and services deploy CE in Pacific and EMEA</td>
<td>— Pacific and EMEA installation and services continue CE deployment</td>
<td>— Pacific and EMEA installation and services continue CE deployment</td>
</tr>
<tr>
<td>— NA, LATAM, SA, India, Asia installation and service (IBS) regions develop CE deployment strategy</td>
<td>— NA, LATAM, SA, India, and Asia IBS begin strategy implementation</td>
<td>— NA, LATAM, SA, India, and Asia IBS continue CE implementation</td>
</tr>
<tr>
<td><strong>Health and Wellness</strong></td>
<td><strong>Health and Wellness</strong></td>
<td><strong>Health and Wellness</strong></td>
</tr>
<tr>
<td>— Tyco entities select a health and wellness activity (e.g., GGC, heart health)</td>
<td>— Tyco wellness goal identified (HR in conjunction with EHS)</td>
<td>— Wellness program participation increased</td>
</tr>
<tr>
<td>— Culture of wellness improvement through consistent HR and EHS messaging across enterprise</td>
<td>— HR and EHS identify available impact metrics (absenteeism, productivity, etc.) and establish baseline</td>
<td>— HR and EHS measure impact metrics</td>
</tr>
<tr>
<td><strong>People Development</strong></td>
<td><strong>People Development</strong></td>
<td><strong>People Development</strong></td>
</tr>
<tr>
<td>— Tyco team skill sets identified e-tools and developmental opportunities provided</td>
<td>— Tyco team development plans (e-tools and OLS) career map and paths developed, EHS structure optimized</td>
<td>— Assess needs for additional EHS skills for Tyco employees</td>
</tr>
<tr>
<td>— Elevate EHS awareness and skills for Tyco employees, interface with LMS process to enable delivery</td>
<td>— EHS training on-line modules and options for employees without on-line access</td>
<td>— Implement EHS training matrix requirements</td>
</tr>
<tr>
<td><strong>Core Management System and Compliance Audit Program</strong></td>
<td><strong>Core Management System and Compliance Audit Program</strong></td>
<td><strong>Core Management System and Compliance Audit Program</strong></td>
</tr>
<tr>
<td>— Transportation and dangerous goods aspects related to compliance audit (CAP) program in NA</td>
<td>— CAP continues</td>
<td>— CAP continues</td>
</tr>
<tr>
<td>— CMS program awareness and implementation level increased</td>
<td>— CMS program awareness and implementation level increased</td>
<td>— CMS program awareness and implementation level increased</td>
</tr>
<tr>
<td>— Develop plans to complete 100% site CMS assessments</td>
<td>— CVQSA process and CMS program awareness and implementation level increased</td>
<td>— CVQSA process and CMS program awareness and implementation level increased</td>
</tr>
<tr>
<td>— Update Emergency Response (ERP) plans</td>
<td>— Fully implement existing Tyco standards</td>
<td>— Fully implement existing Tyco standards</td>
</tr>
<tr>
<td><strong>Risk Assessment</strong></td>
<td><strong>Risk Assessment</strong></td>
<td><strong>Risk Assessment</strong></td>
</tr>
<tr>
<td>— Dynamic Risk Assessment (RA/SA) Safety Analysis (USA) process developed</td>
<td>— Develop and execute training program on Dynamic RA/SA process (e.g., hazard awareness training)</td>
<td>— Implement Dynamic RA/SA process across global business</td>
</tr>
<tr>
<td>— Expand management of change (MOC) awareness training to targeted employees across the enterprise</td>
<td>— Continue MOC training</td>
<td>— Complete MOC training</td>
</tr>
<tr>
<td><strong>Incident Investigation &amp; Root Cause Analysis</strong></td>
<td><strong>Incident Investigation &amp; Root Cause Analysis</strong></td>
<td><strong>Incident Investigation &amp; Root Cause Analysis</strong></td>
</tr>
<tr>
<td>— Develop standardized incident investigation process with emphasis on root cause analysis</td>
<td>— Deploy incident investigation and root cause analysis training</td>
<td>— Implement standardized process</td>
</tr>
<tr>
<td>— Develop incident investigation process root cause analysis training</td>
<td>— Develop and execute Root Cause Analysis training</td>
<td>— Improve effectiveness of training</td>
</tr>
<tr>
<td>— Link investigation process to motor vehicle accidents</td>
<td>— Establish cross-business investigation leads and review board for significant incidents</td>
<td>— Improve use of MTE corrective and preventive action system</td>
</tr>
<tr>
<td><strong>MyTyco/HS</strong></td>
<td><strong>MyTyco/HS</strong></td>
<td><strong>MyTyco/HS</strong></td>
</tr>
<tr>
<td>— Fully implement My Tyco EHS (MTE) an official and only tracking system for EHS metrics</td>
<td>— Develop applicable feedback process for continuous improvement of MTE</td>
<td>— Continue to improve value of MTE</td>
</tr>
<tr>
<td>— Develop, communicate, and implement enterprise and business MTE management strategies (training and resources)</td>
<td>— Complete implementation of enhanced MTE strategy</td>
<td>— Develop hand-held application tool for MTE data entry</td>
</tr>
<tr>
<td>— Improve MTE user experience, mandatory fields, search capabilities, and standardization for key metrics</td>
<td>— Improve MTE user experience to determine enterprise relevance</td>
<td>— Implement additional relevant modules (e.g., document control)</td>
</tr>
<tr>
<td>— Establish process for sustainable and verifiable data (regional/business/size) including metrics driven</td>
<td>— Assess additional MTE modules to determine enterprise relevance</td>
<td>— Implement, as appropriate, revised submission process</td>
</tr>
<tr>
<td><strong>Subcontractors</strong></td>
<td><strong>Subcontractors</strong></td>
<td><strong>Subcontractors</strong></td>
</tr>
<tr>
<td>— Define and communicate EHS reporting requirements for subcontractors</td>
<td>— Implement subcontractor EHS requirements</td>
<td>— Monitor adherence to subcontractor requirements</td>
</tr>
<tr>
<td><strong>Near-Miss Reporting</strong></td>
<td><strong>Near-Miss Reporting</strong></td>
<td><strong>Near-Miss Reporting</strong></td>
</tr>
<tr>
<td>— Communicate near-miss reporting process to increase awareness and engagement</td>
<td>— Improve reporting and use of near-miss reporting process</td>
<td>— Focus on increasing observation reporting</td>
</tr>
<tr>
<td><strong>Motor Vehicle Safety</strong></td>
<td><strong>Motor Vehicle Safety</strong></td>
<td><strong>Motor Vehicle Safety</strong></td>
</tr>
<tr>
<td>— Continue deployment of driver training (e.g., Alert Driving)</td>
<td>— Continue deployment of driver training</td>
<td>— Continue deployment of driver training</td>
</tr>
<tr>
<td>— EHS/Fleet work group to develop minimum vehicle safety equipment requirements (e.g., ABS brakes, telematics)</td>
<td>— Create vehicle safety equipment list</td>
<td>— Create vehicle safety equipment list</td>
</tr>
<tr>
<td>— Evaluate cell phone/hand-held device policy</td>
<td>— Develop cell phone/hand-held device policy</td>
<td>— Implement, as appropriate, guidelines for driver screening criteria</td>
</tr>
<tr>
<td>— EHS/Fleet work group assesses guideline needs for driver screening criteria</td>
<td>— Evaluate need to revise MV Standard</td>
<td>— Evaluate need to revise MV Standard</td>
</tr>
<tr>
<td><strong>Electrical Safety</strong></td>
<td><strong>Electrical Safety</strong></td>
<td><strong>Electrical Safety</strong></td>
</tr>
<tr>
<td>— Create enterprise-wide electrical safety work group and develop improvement strategy</td>
<td>— Implement enhanced electrical safety strategy</td>
<td>— Assess and refine electrical safety strategy</td>
</tr>
<tr>
<td><strong>Working at Heights</strong></td>
<td><strong>Working at Heights</strong></td>
<td><strong>Working at Heights</strong></td>
</tr>
<tr>
<td>— Save work-at-heights task force develops improvement strategy</td>
<td>— Implement working-at-heights strategy</td>
<td>— Continuation of exposure reduction initiatives</td>
</tr>
<tr>
<td>— Save work-at-heights incident pre-work risk assessment implementation improved</td>
<td>— Implement working-at-heights strategy</td>
<td>— Continuation of exposure reduction initiatives</td>
</tr>
<tr>
<td><strong>Manual Handling</strong></td>
<td><strong>Manual Handling</strong></td>
<td><strong>Manual Handling</strong></td>
</tr>
<tr>
<td>— Each BU to define and implement minimum of one injury reduction initiative</td>
<td>— Continue best practices implementation</td>
<td>— Continue best practices implementation</td>
</tr>
<tr>
<td>— Share best practices from existing ergonomic studies/assessments</td>
<td>— Cylinder-handling workgroup develops recommendations for upgrades</td>
<td>— Cylinder-handling workgroup develops recommendations for upgrades</td>
</tr>
<tr>
<td>— Define and develop the ergonomic assessment capability within the existing EHS teams and coordinators</td>
<td>— Implement manual handling/ergonomics training in on-line format</td>
<td>— Maintain cylinder-handling/ergonomics training implementation</td>
</tr>
<tr>
<td><strong>PPE</strong></td>
<td><strong>PPE</strong></td>
<td><strong>PPE</strong></td>
</tr>
<tr>
<td>— Establish cross-business team to identify enterprise-wide PPE requirements</td>
<td>— Revised PPE program implementation</td>
<td>— Revised PPE program implementation</td>
</tr>
</tbody>
</table>
APPENDIX A - Definitions

Compliance Assurance Audit Findings

Priority 1 - Highest risk of enforcement, release, injury or liability to plant or business. Significant enforcement risk means either likely enforcement or a potentially high penalty.

Priority 2 - Significant but not highest risk.

Priority 3 - Basic program elements are in place but a regulatory detail needs to be addressed.

CO2e – Carbon Dioxide equivalents. When used in this report it refers to the Carbon Dioxide equivalents expressed in metric tons.

Environmental Defects - are reportable spills and air or wastewater exceedances. Reportable spills are releases of a sufficient quantity of a material that a report to the government must be filed. A wastewater exceedance or an air exceedance is either a violation of a numerical permit limit or a discharge or release to atmosphere without a required permit or authorization.

Lost Time Incident Rate (LTIR) - Number of injuries resulting in employees being out of work due to the injury, per 200,000 hours worked (LTIR=injuries resulting in employees out of work/200,000 hours).

Notices of Violation (NOV) - written notices from a regulatory authority indicating or alleging that a violation of a regulation or law exists at a facility. Examples include official documents containing the words "notice of violation" or "notice of non-compliance," warning letters, complaints, official statements of observations, or other formal actions.

Significant Incident - A major or serious EHS incident.
   a) Fatality, near fatality, coma, explosion, etc.
   b) Amputation of body parts other than limbs (e.g., hand or finger).
   c) Hospitalization for treatment (admission).
   d) Short term unconsciousness (i.e., less than 24 hours).
   e) Absence from work for more than 30 calendar days due to occupational injury or illness of a part time or full time Tyco employee or an external contractor working under the direction and control of a Tyco representative.
   f) Fractures of bones.
   g) Any Consent Agreement/Order/Lawsuit or enforcement action filed by a government regulatory agency or private party seeking more than $50,000USD in penalties, fines or damages (excludes cost recovery/cost contribution actions related to clean-ups).
   h) Any spill or release required to be reported to a government agency or authority.

Total Recordable Injury Rate (TRIR) - Number of employee injuries and illnesses per 200,000 hours worked (TRIR=injuries + illnesses/200,000 hours).

Zero Harm Environmental Metrics

a. Greenhouse Gas (GHG) Emissions calculated including:
   • Direct emissions of the Kyoto greenhouse gases: carbon dioxide, methane, nitrous oxide, sulfur hexafluoride, hydrofluorocarbons and perfluorocarbons are from sources that are owned or controlled by Tyco. i.e. our facilities and vehicles.
   • Indirect emissions of Kyoto greenhouse gases are emissions that are associated with our operations but occur at sources owned or controlled by another entity through the use of purchased electricity emissions from all manufacturing facilities and major properties.


c. Water Use – Volume of all purchased and extracted water used at all manufacturing facilities.
Global Environment, Health & Safety Policy

Vision
Tyco will provide products and services to its customers with Zero Harm to People and the Environment.

Global Policy
Tyco is committed to producing products and providing services to customers in a safe, responsible manner that respects the health and safety of our employees, the environment, our customers, shareholders and the communities in which we operate. Tyco believes in promoting a workplace where protecting our people and the environment is the way we conduct business. All Tyco employees, as well as contractors, are responsible for understanding, promoting and implementing this policy and the following operating principles.

Operating Principles
// We value human life above all else and manage risks with that principle in mind.
// We believe all accidents are preventable and take practical steps to eliminate hazards and harmful environmental impacts from our business activities through risk identification, assessments, and controls.
// We monitor the effectiveness of our controls and make corrections as necessary.
// We comply with all applicable environmental, health, and safety laws and regulations, and we set higher-than-required standards where unacceptable risks are identified.
// We strive to continually improve our Environmental Health and Safety (EHS) management systems and processes to support our vision of Zero Harm to People and the Environment.
// We set objectives, plans and performance measures, and regularly review and report on our progress in an open and transparent manner, rectifying deficiencies when detected.
// Every manager, supervisor, and employee is accountable for our EHS performance and we believe everyone is responsible for his/her own behavior and performance in support of our EHS principles.
// We seek to develop our products to prevent harm to people and the environment from design and manufacturing through use, recycling, or disposal -- and we deliver our services with the same principles in mind.
// We seek to achieve sustainable growth and business success by conserving energy, water, and raw materials, and by recycling and reducing waste.
// We assist our customers and suppliers to improve their own EHS programs and performance.
// We are constructive members of the communities in which we operate and engage with them to promote mutually beneficial EHS objectives.
// We invest appropriate resources to underscore our commitment to the environment, health, and safety.

Our signatures below demonstrate our personal commitment to the above global policy.

George R. Oliver  Halina E. Caravello
CEO  VP, Environment, Health & Safety
A Global Leader in Fire Protection and Security Solutions

Fire Protection Products

Security Products

Life Safety Products

Installation & Service

Healthy & Zero Harm to People and the Environment